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C O N F I D E N T I A L SECTION 01 OF 02 TOKYO 004969

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E.O. 12958: DECL: 08/29/2016 TAGS: <u>PREL PARM ECON ENGY IR JA</u>

SUBJECT: KHATAMI VISITS JAPAN; SEES KOIZUMI; AZADEGAN

NEGOTIATIONS CONTINUE

Classified By: CHARGE D'AFFAIRES JOSEPH DONOVAN FOR REASONS 1.4(B), (D)

11. (C) SUMMARY: Prime Minister Koizumi warned former Iranian President Khatami that Iran would be wise to cooperate with the international community rather than continue to isolate itself, during an August 24 meeting. Khatami, in both his public remarks and in his meeting with Koizumi, maintained that Iran's nuclear program is for peaceful purposes only. MOFA working-level officials report that negotiations continue on developing the Azadegan oil fields, but expect little progress while the nuclear issue is pending. Iranian DFM for Legal and International Affairs Abbas Araghchi will visit Tokyo shortly to discuss the nuclear issue. Japan has not yet seen a copy of Iran's response to the P5 plus 1 offer and is unable to comment on it. END SUMMARY.

MEETING WITH PRIME MINISTER KOIZUMI

12. (C) Former Iranian president Seyyed Mohammad Khatami visited Japan August 24-26, to deliver lecture on August 25 at Tokyo's United Nations University on "Dialogue Among Civilizations", and to participate August 26 in the World Religious Peace Forum in Kyoto. He was granted a meeting with Prime Minister Koizumi on August 24.

- $\P3.$ (C) Koizumi was joined in the Khatami meeting by former Prime Minister Mori, who last received Khatami in Tokyo when he had visited as Iran's president in 2000, according to MOFA Second Middle East Division's Takashi Kamada's read-out to Embassy Tokyo Political Officer on August 28. Iran's nuclear program is purely for peaceful purposes, Khatami told Koizumi, and Tehran does not plan to develop nuclear weapons. Iran seeks to solve the dispute with the West over its nuclear program through dialogue and hopes Japan will help in convincing the United States and the European nations of Iran's view. If the U.S. and United Nations push Iran too hard, Khatami asserted, extremist and radical groups in Iran will come to the fore and overwhelm those seeking a more moderate solution. Koizumi replied that Japan values and wishes to maintain its good relationship with Iran, but urged Iran to respect the will of the international community. He warned Khatami that Japan had made the mistake of becoming isolated from the international community and had paid a terrible price. In contrast, once Japan rejoined the family of nations it had done extremely well and had prospered to the benefit of its people.
- 14. (C) Turing to the subject of Iraq, Khatami explained that Iran supports the process of democratization in Iraq and that, accordingly, its views on Iraq are closely in synch with those of the United States. He lamented that the United States does not understand this and again asked Japan to help explain Tehran's views.

15. (C) When asked about reports that Japan was being pressured by the Iranians over the Azadegan oil field issue and that Japan has decided to stop funding the project, Kamada replied that Inpex Corporation is continuing to negotiate with the National Iranian Oil Company. The hang up, he said, continues to be the clearance of landmines. He was reluctant to officially confirm that a decision has been made to withhold government financing for the project but said that he does not think the Azadegan project can move forward as long as tension over the nuclear issue persists. The two issues are linked, he admitted, although the Japanese are careful never to admit this to the Iranians. As a private company, Inpex is free to negotiate with the Iranians. However, it is heavily dependent on government financing from JPIC and NEXI. While the government cannot directly intervene in the contract negotiations, it can withhold needed funding, he pointed out.

PUBLIC REMARKS

16. (U) On August 25, Embassy Tokyo Political Officer attended Khatami's U Thant Distinguished Lecture at Tokyo's United Nations University entitled "Dialogue Among Civilizations: A Necessity for Living in Peace and Non-Violence, Bridging the Development Gap Among Nations, and Building Global Citizenship." Although his prepared remarks did not touch upon Iran's nuclear program, a number of the questions he was asked following the lecture did. Khatami stated that uranium is a "polluting material" and that Iran

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does not want or need access to nuclear weapons. Over 30 percent of Japan's electricity is generated by nuclear power plants; Iran has a legitimate right to do the same, he said.

- 17. (U) While other nations have offered to provide fuel for Iran's program, Iran cannot trust others to provide such fuel after Iran has invested billions to develop and construct the required infrastructure, Khatami argued. To justify Iran's mistrust, Khatami cited the case of a contract for Airbus aircraft that he said was not fulfilled due to pressure from the United States, even after Iran had made the down payments required for the planes. Moreover, he maintained, the quantity and purity of the uranium Iran is enriching is not a threat to others. Alluding to Israel, he contrasted Iran's program to those of "other powers in the region which can produce tens of nuclear weapons each year and who are supported by others." Khatami charged that it is not Iran, but "others" who want to precipitate a crisis over the nuclear issue and proclaimed Iran's readiness to negotiate a just settlement. Iran is entitled to use nuclear energy, he concluded, warning that it would be a great injustice if Iran were to be isolated and the power to decide its fate left in the hands of a few other countries.
- 18. (U) With regard to terrorism and violence in the world, Khatami warned that the media is a tool controlled by those who exercise power to promote war and violence, not love and friendship. Following the end of the Cold War, the West needed a new enemy to justify its continued need for power so "Islamophobia" was created to replace communism. In turn, extremist Islamic groups sprung up to combat this. The purveyors of both policies are cut from the same cloth: they promote violence and hatred rather than peace and love. With regard to Iraq, Khatami said that everyone agrees Saddam was a brutal dictator who the world will not miss, but the United States had, by invading Iraq, promoted the increased terrorism that is leading to the daily deaths of Iraqi, American, and British citizens. The violence taking place in the world today is due to the misguided and wrong policies of some countries. "The United States claims to be fighting

terrorism, but what they are really doing is promoting instability in the region."

¶9. (U) When asked whether politics and religion are compatible, Khatami responded that they are and must be. He warned that science and politics must have ethics and argued that religion is the source of the morals, ethics, and justice that all governments must seek to attain. He said that the three major religions have many values in common and must be used to unite, rather than to divide. He closed by saying that the unjust policies of some countries are responsible for the misuse of religion by extremist elements.

IRANIAN DEPUTY FOREIGN MINISTER TO VISIT

110. (C) Iranian Deputy Foreign Minister for Legal and International Affairs Abbas Araghchi will visit Tokyo shortly and has requested a meeting with Deputy Foreign Minister Tsuneo Nishida to discuss the nuclear issue, Kamada told us.

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This meeting will likely take place either late on August 31 following Nishida's return that day from Central Asia or on September 1. Nishida, he said, will deliver Tokyo's consistent message that Iran should comply with the decisions of the international community. Kamada pointed out that despite the fact that Japan is a UNSC member, it has yet to see a copy of Iran's response to the P5 plus 1 initiative therefore making it impossible to formulate a position on it. DONOVAN